

Audit



Report

OFFICE OF THE INSPECTOR GENERAL

QUALITY SURVEILLANCE PROGRAM FOR FUELS

Report No. 96-067

February 7, 1996

Department of Defense

Additional Copies

To obtain additional copies of this audit report, contact the Secondary Reports Distribution Unit of the Analysis, Planning, and Technical Support Directorate, at (703) 604-8937 (DSN 664-8937) or FAX (703) 604-8932.

Suggestions for Future Audits

To suggest ideas for or to request future audits, contact the Planning and Coordination Branch of the Analysis, Planning, and Technical Support Directorate, at (703) 604-8939 (DSN 664-8939) or FAX (703) 604-8932. Ideas and requests can also be mailed to:

OAIG-AUD (ATTN: APTS Audit Suggestions)
Inspector General, Department of Defense
400 Army Navy Drive (Room 801)
Arlington, Virginia 22202-2884

Defense Hotline

To report fraud, waste, or abuse, contact the Defense Hotline by calling (800) 424-9098; by sending an electronic message to Hotline@DODIG.OSD.MIL; or by writing to the Defense Hotline, The Pentagon, Washington, D.C. 20301-1900. The identity of each writer and caller is fully protected.

Acronyms

APC	Army Petroleum Center
DFSC	Defense Fuel Supply Center
DFSP	Defense Fuel Support Point



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-2884



Report No. 96-067

February 7, 1996

MEMORANDUM FOR DEPUTY UNDER SECRETARY OF DEFENSE

(LOGISTICS)

**ASSISTANT SECRETARY OF THE NAVY (FINANCIAL
MANAGEMENT AND COMPTROLLER)**

**ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL MANAGEMENT AND COMPTROLLER)**

**DIRECTOR, DEFENSE LOGISTICS AGENCY
AUDITOR GENERAL, DEPARTMENT OF THE ARMY**

**SUBJECT: Audit of the Quality Surveillance Program for Fuels
(Project No. 5LC-0024)**

Introduction

This report is provided for information and use. The Defense Fuel Supply Center (DFSC) quality surveillance program for fuels begins after the quality assurance over the procurement of fuels is completed and continues until the fuel is provided to the end user (aircraft, generator, ship, tank, vehicle, etc.). The Defense Contract Management Command performs the procurement quality assurance function for DFSC to ensure that the fuel supplied by contractors to the Government conforms to DFSC contract requirements. The responsibility of the procurement quality assurance function is completed when a Government representative accepts fuel. The DFSC quality surveillance program begins after the fuel is accepted. The DFSC and the Military Departments manage the DFSC quality surveillance program for fuels to ensure that the fuel the Government accepts is maintained suitable for its intended use. They manage the program for as long as the fuel is in their custody at storage facilities, or until it is used.

Audit Results

The DFSC quality surveillance program for fuels ensured that fuel quality met applicable specifications when provided to the end user. Any deficiencies causing fuel quality to fail to meet applicable specifications (that is, to be off-specification) were corrected from October 1993 through June 1995. The DFSC and the Military Department organizations we visited were satisfactorily maintaining the DFSC quality surveillance program when physically possessing fuel at storage facilities under their cognizance. However, we noted minor weaknesses relating to fuel sampling and testing procedures that DFSC and the Army Petroleum Center (APC) used. The DFSC and the Army took corrective action on the weaknesses during our audit.

Audit Objectives

The audit objective was to evaluate the quality surveillance program for fuels, including the corrective actions taken by DFSC and the Military Departments when quality surveillance procedures identified products that did not meet applicable specifications. We also reviewed the adequacy of the management control program within the DFSC and the Military Departments, as applicable to the audit objectives.

Scope and Methodology

To evaluate the DFSC quality surveillance program for fuels, we determined whether fuel sampling and testing, reclamation and disposition, and identification and correction of the causes of off-specification fuel were performed as required by Military Handbook 200G (MIL-HDBK-200G), "Quality Surveillance Handbook for Fuels, Lubricants, and Related Products," revised January 7, 1994. We performed our audit tests at DFSC, Naval Air Station, Air Force Fuels Management Flight and selected storage facilities (hereafter referred to as Defense Fuel Support Points [DFSPs]) located within the continental United States that received, stored, and issued DFSC-owned fuel in support of DoD fuel requirements. Also, we reviewed APC laboratory reports and interviewed fuels management and fuels quality surveillance officials. We reviewed transactions from October 1993 through June 1995.

Fuel Sampling and Testing. We reviewed fuel deliveries at DFSPs under DFSC, the Navy, and the Air Force, and APC laboratory reports on fuel samples tested.

Defense Fuel Support Points. From October 1993 through June 1995, about 190,819 deliveries of DFSC-owned fuel, totaling about 8.3 billion gallons, were made to 302 DFSPs located within the continental United States. We judgmentally selected 144 of those deliveries, totaling about 348 million gallons, made to 11 DFSPs under DFSC, the Navy, and the Air Force. For each selected delivery, we obtained and reviewed fuel sampling and testing results maintained at the 11 DFSPs to determine whether the fuel was sampled and tested as required. Enclosure 1 lists the number and dollar amount for the fuel deliveries reviewed at the 11 DFSPs visited.

Army Petroleum Center. From October 1993 through June 1995, the APC computer data base at New Cumberland, Pennsylvania, contained 5,069 laboratory reports on fuel samples tested at the two APC fuel testing laboratories located at New Cumberland and Tracy, California. We judgmentally selected 89 of the 5,069 laboratory reports for review to determine whether deliveries of about 1 million gallons of fuel were sampled, tested, and reported for quality, as required. We also compared the APC petroleum data base containing laboratory reports to the APC regions data base containing Army organizations with fuel requirements, to determine whether Army organizations with fuel requirements were providing fuel samples to the two APC laboratories for testing.

Reclamation and Disposition. We evaluated whether off-specification fuel, identified from the judgmental sample of 144 fuel deliveries and 12 of the 89 laboratory reports reviewed, was properly restored, changed, or disposed of and whether cognizant technical quality offices were informed of the off-specification fuel.

Identification and Correction. To determine whether the causes of off-specification fuel were identified and corrected, we evaluated fuel quality complaints on bulk fuels received by DFSC. From October 1993 through June 1995, DFSC received from the Military Departments, 70 bulk fuels quality complaints, representing about 90.3 million gallons, valued at about \$64.6 million. We judgmentally selected 21 of the 70 complaints, representing about 10.9 million gallons, valued at about \$8.6 million.

Audit Period, Standards, and Locations. This program audit was performed from June through October 1995. We conducted this audit in accordance with auditing standards issued by the Comptroller General of the United States, as implemented by the Inspector General, DoD. We did not use statistical sampling methods. We included tests of management controls considered necessary. Enclosure 2 lists the organizations we visited or contacted.

Use of Computer-processed Data. We relied on computer-processed data provided by DFSC, the military technical quality offices, and other DoD organizations visited to determine the locations to visit and to select samples of fuel deliveries. Although we did not perform a formal reliability assessment of the computer-processed data, we determined that the locations and fuel deliveries reviewed generally agreed with the information in the computer-processed data. We did not find errors that would preclude use of the computer-processed data to meet the audit objectives or that would change the conclusions of the report.

Management Control Program

DoD Directive 5010.38, "Internal Management Control Program," April 14, 1987, requires DoD managers to implement a comprehensive system of management controls that provides reasonable assurance that programs are operating as intended and to evaluate the adequacy of the controls.

Scope of Review of the Management Control Program. We reviewed the adequacy of DFSC and the Military Departments' management controls applicable to the fuel quality surveillance program. Specifically, we reviewed sampling and testing procedures used to verify fuel quality, and procedures used to identify, correct, and eliminate occurrences of off-specification fuel. We did not assess the adequacy of management's self-evaluation of those controls.

Adequacy of Management Controls. Management controls applicable to the DFSC quality surveillance program for fuels were deemed to be adequate in that we identified no material management control weaknesses.

Prior Audits and Other Reviews

During the last 5 years, there have been no audits or reviews directly addressing the DFSC fuel quality surveillance program and the adequacy of its testing procedures.

The Defense Criminal Investigative Service has an ongoing investigation relating to the Military Departments' purchase of heating oil that was blended with toxic waste under the posts, camps, and stations purchase program. No further details are included in this report.

Audit Background

Fuels Management Responsibilities. In 1973, the Defense Logistics Agency delegated the responsibilities for the integrated material management of bulk fuels in support of DoD fuel requirements to DFSC. Generally, DFSC issues procurement contracts for various fuels, including diesel, gasoline, and jet; and sells the fuel to the Military Departments for end users, such as aircraft and ships.

As the integrated material manager, DFSC managed the acquisition, storage, distribution, and sale of fuel with responsibility ending at military installation boundaries. In 1991, the Office of the Secretary of Defense directed that DFSC ownership of fuel procured under the bulk purchase program be expanded to include fuel in bulk storage and hydrant systems on Navy, Air Force, and Marine Corps installations and intermediate storage facilities on Army installations. Therefore, DFSC owns and manages bulk fuels from the point-of-purchase until final issuance to military end users or until the point-of-sale whereby ownership of the fuel transfers from DFSC to the Military Departments.

In supporting DoD fuel requirements, DFSC is required to establish and maintain a fuels distribution system that includes a network of storage facilities that receive, store, and issue DFSC-owned fuel. Storage facilities stocking DFSC-owned fuel for distribution to multiple end users are designated as DFSPs and are located at military installations or at intermediate locations.

From October 1993 through June 1995, DFSC purchased about 9 billion gallons of fuel for about \$6.4 billion, and had an ending inventory of about 2.8 billion gallons of fuel, valued at about \$2 billion. About 459 DFSPs located worldwide received, stored, and issued the DFSC-owned fuel in support of DoD fuel requirements.

Quality Surveillance Responsibilities. DoD Manual 4140.25 (DoD 4140.25-M), "DoD Management of Bulk Petroleum Products, Natural Gas, and Coal," June 1994, established the quality surveillance program for fuels and directed the Defense Logistics Agency to manage the program. The Defense Logistics Agency delegated the responsibilities to DFSC.

DoD 4140.25-M also directed DFSC and the Military Departments to maintain the fuel quality surveillance program for DFSC-owned fuel at DFSPs under their cognizance. When certain reporting parameters are met, the DFSPs are responsible for notifying a DFSC fuel region or military technical quality office about off-specification fuel. The DFSC fuel region or the military technical quality office may direct the DFSP with off-specification fuel to provide the DFSC Directorate of Quality Assurance and Technical Services with pertinent details to correct or dispose of off-specification fuel. The DFSC Directorate of Quality Assurance and Technical Services serves as the central coordinating position for quality and technical assistance relating to fuel.

Four DFSC fuel regions and three military technical quality offices provide technical assistance to DFSC and military controlled DFSPs located within the continental United States. The three military technical quality offices also serve as the Military Departments' central position for coordinating and approving corrective actions for off-specification fuel and to ensure that corrective actions are taken to preclude reoccurrence.

Quality Surveillance Procedures. The DFSC established procedures for the fuel quality surveillance program in MIL-HDBK-200G. MIL-HDBK-200G provides quality surveillance instructions and procedures to be performed by fuel quality representatives of the DFSC and the Military Departments. The procedures include fuel sampling and testing, reclamation and disposition, and identification and correction.

Fuel Sampling and Testing. Fuel sampling and testing are required to ensure that fuel quality is maintained suitable for the end user and to ensure that off-specification fuel is promptly identified and corrected with little impact on mission readiness. It also serves as a mechanism to isolate deficiencies within the fuel supply system and to locate accountability for off-specification fuel.

Quality surveillance personnel at DFSPs obtain fuel samples under varying conditions, using various testing methods to analyze product characteristics. Personnel obtain fuel samples from delivery sources during loading, before discharge, and during offloading or receipt; from storage tanks after receipt of fuel, before issuance, and periodically when dormant; and periodically from fuel handling and dispensing equipment.

Reclamation and Disposition. Reclamation and disposition of off-specification fuel are required to ensure that DoD fuel quality is maintained suitable for the end user and that the DoD mission capability and readiness are maintained. Off-specification fuel identified during the sampling and testing is reported to a DFSC fuel region or military technical quality office to ensure that a timely decision is made regarding the reclamation or disposition of the off-specification fuel. Reclamation procedures include downgrading fuel for use as a lower grade, blending two or more fuels to produce a fuel that meets specification, and purifying fuel using filtration to remove contaminating agents. Disposition procedures are placing, distributing, and arranging destruction of off-specification fuel.

Identification and Correction. The identification and correction of the causes of off-specification fuel are required to preclude reoccurrence and to maintain mission readiness. MIL-HDBK-200G and related Military Department publications outline specific guidelines to identify and correct the causes of off-specification fuel. Off-specification fuel resulting from improper fuel handling procedures, contaminated tanks, or defective valves require coordination between the DFSPs and the quality and technical support offices to correct the problems. The DFSPs, in coordination with the support offices, such as DFSC fuel regions; military technical quality offices; and the DFSC Directorate of Quality Assurance and Technical Services, investigate and initiate corrective actions to eliminate the problems causing off-specification fuel.

Discussion

The DFSC quality surveillance program for fuels generally ensured that fuel quality met applicable specifications when provided to the end user. Within our sample any noted deficiencies causing fuel quality to fail to meet applicable specifications (that is, to be off-specification) were appropriately corrected. We noted minor weaknesses relating to fuel sampling and testing procedures that DFSC and the APC used. The DFSC and the Army took corrective action on the weaknesses during our audit.

Fuel Sampling and Testing. The DFSC and Military Department organizations generally accomplished fuel sampling and testing procedures to determine fuel quality, as required by MIL-HDBK-200G and related Military Department publications.

Defense Fuel Supply Center. Our review of 49 fuel deliveries at 3 DFSC-operated DFSPs showed that fuel quality was sampled and tested before the fuel was dispensed for use. The 49 deliveries for about 222.6 million gallons of fuel met the applicable specification.

Although our review showed that fuel quality was verified before the fuel was dispensed for use, one DFSP did not always obtain and test fuel samples from storage tanks after fuel deliveries, as required. At DFSP, San Pedro, California, we reviewed 23 fuel deliveries (80 tankloads), for approximately 122.2 million gallons of fuel, that required testing. Laboratory reports at DFSP, San Pedro, showed that the fuel met specifications for 39 tankloads. The remaining 41 tankloads were not tested before being shipped to DFSP, Norwalk, California, the next delivery point (a distance of about 20 miles) on a dedicated Government pipeline. We traced the fuel shipments to DFSP, Norwalk, which performed the required testing, and found that the fuel was on-specification. During the audit, DFSP, San Pedro, agreed to document the transfer of untested fuel to DFSP, Norwalk, requiring Norwalk officials to perform the required testing. The DFSC reviewed the issue of shipping untested fuel between San Pedro and Norwalk, and considered that to be equivalent to a transfer within an installation, which required only a minimal test before it was transferred. Accordingly, we made no recommendation in this area.

Army. The APC played a central role in the quality surveillance program for fuels as the Army technical quality office. The mission of the APC was to conduct the petroleum quality surveillance and testing programs and to maintain central petroleum logistics data bases. The APC maintained two data bases, the petroleum data base containing information on samples tested, and the regions data base containing information on organizations with fuel requirements under DFSC contracts.

Although our review of 89 of 5,069 laboratory reports showed that fuel deliveries were sampled and tested for quality, APC did not document that all Army organizations sent fuel samples to the APC laboratories as required. Army Regulation 710-2, appendix C, section C-4, "Quality Surveillance Program," March 31, 1994, requires the APC to establish a schedule of organizations required to submit samples for testing. To satisfy that requirement, APC required each organization to provide samples from the first three deliveries for each product under each DFSC contract for laboratory testing.

The results of the laboratory testing were recorded in the petroleum data base. We compared the regions data base with the petroleum data base to determine whether all Army organizations in the continental United States provided samples for testing as required. Of the 192 organizations listed in the regions data base, 53 were not recorded in the petroleum data base. As a result, APC did not have assurance that all organizations submitted fuel samples for testing as required and that the quality of fuel met specification. Based on our suggestion, the APC was looking into the feasibility of merging the petroleum and regions data bases to document samples submitted and to generate automatic reminders to installations that failed to submit samples.

Navy. The three Navy-operated DFSPs included in our review performed sampling and testing of fuel deliveries as required. The 34 sampled deliveries, totaling about 95.6 million gallons, were tested at receipt in accordance with MIL-HDBK-200G.

Air Force. The five Air Force-operated DFSPs included in our review accomplished fuel sampling and testing, as required by MIL-HDBK-200G and Air Force Technical Order 42B-1-1 (T.O. 42B-1-1), "Quality Control of Fuels and Lubricants," change 9, July 30, 1994. The 61 sampled deliveries, totaling 29.8 million gallons, were sampled and tested at receipt and at various points in the fuel handling and storage system.

Reclamation and Disposition. The DFSC and Military Department organizations accomplished reclamation and disposition of off-specification fuel, as required by MIL-HDBK-200G and related Military Department publications.

Defense Fuel Supply Center. At the three DFSC-operated DFSPs we visited, the 49 fuel deliveries we reviewed contained no off-specification fuel. Accordingly, no reclamation or disposition action was required.

Army. At the APC, the 89 laboratory reports we reviewed showed that for 12 reports the APC adequately performed fuel reclamation and disposition as

required. The 12 reports represented 12 deliveries of off-specification bulk fuel. The APC performed quality deficiency reviews, recorded the test results, and forwarded the information to DFSC for action. DFSC consolidated the 12 occurrences of off-specification bulk fuel into 9 cases of fuel quality complaints. DFSC followed required procedures to identify and correct any deficiencies causing the off-specification fuel. (See "Identification and Correction" later in this report.)

Navy. Of 34 sampled fuel deliveries at 3 Navy-operated DFSPs, 1 delivery was received off-specification and the Navy reclaimed and disposed of the fuel in accordance with MIL-HDBK-200G. Specifically, Navy DFSP, Point Loma, California, received a delivery of 7.7 million gallons of jet petroleum No. 5 that was below the specification for fuel system ice inhibitor. DFSP, Point Loma, reclaimed about 5.7 million of the 7.7 million gallons through blending with jet petroleum No. 5 in storage. However, due to insufficient blending stock, DFSC could not reclaim the remaining 2 million gallons. The DFSP contacted DFSC and the Navy Petroleum Office, as required, and received permission to issue the fuel to a naval air station for restricted use.

Air Force. The five Air Force-operated DFSPs accomplished reclamation of off-specification fuel as required by MIL-HDBK-200G and T.O. 42B-1-1. Of the 61 sampled deliveries, 6 had fuel that did not meet the applicable specification. The six deliveries were slightly off-specification because of particulate contamination, low conductivity levels, or both. The DFSPs contacted the Directorate of Aerospace Fuels, the designated military technical quality office for the Air Force, as required, and received instructions to correct the off-specification fuel. Neither the DFSPs nor the Directorate of Aerospace Fuels notified the DFSC Directorate of Quality Assurance and Technical Services because the off-specification fuel was easily reclaimed by blending it into storage tanks or by filtering out undesirable contaminants, such as particulate matter or water. After reclamation procedures were applied, subsequent fuel testing showed that fuel quality met the applicable specification.

Identification and Correction. The DFSC followed required procedures to identify and correct any deficiencies causing off-specification fuel, in accordance with MIL-HDBK-200G and related Military Department publications.

Army. The DFSC determined that seven of the nine fuel quality complaints from the Army did not warrant further action because organizations within the Army did not sample fuel properly. DFSC directed fuel retesting for five complaints and found that the fuel met specification. Also, DFSC determined that one complaint related to a sample that was incorrectly labeled, and one complaint related to an incorrect sample taken from the storage tank rather than the delivery truck. For the remaining two complaints, the fuel quality representative required the supplier to take corrective action.

Navy. The Navy reported two fuel quality complaints to DFSC and DFSC resolved them in accordance with MIL-HDBK-200G. Specifically, the Navy reported that a fuel delivery of about 7.9 million gallons to Norfolk,

Virginia, from DFSC storage in England was below specification for fuel system ice inhibitor. Although below specification, DFSC and the Navy Petroleum Office determined that the fuel was within the limits for use. DFSC resolved that one-time delivery from DFSC storage in England by directing that the fuel be issued only to naval air stations. The Navy also reported to DFSC that antifire foam had contaminated 230,000 gallons of fuel stored at Naval Air Station, New Brunswick, Maine. DFSC resolved that one-time accident by downgrading the fuel from jet petroleum No. 5 to jet petroleum No. 8, and transporting it to another DFSP at a cost of about \$10,400.

Air Force. Our review of 10 fuel quality complaints showed that DFSC identified sources of off-specification fuel and instructed accountable individuals to perform the necessary corrective actions to prevent reoccurrence of off-specification fuel. Of the 10 complaints, 7 related to contamination, 2 related to conductivity, and 1 related to fuel system icing inhibitor. DFSC corrected the contamination complaints by requiring closer surveillance over filter performance, improvement of preloading inspections, and replacement or upgrades of filtering equipment. DFSC corrected the conductivity complaints by requiring closer surveillance over the static dissipater additive into the fuel. DFSC did not recommend corrective actions on the complaint related to fuel system icing inhibitor because the fuel was only slightly off-specification and the Air Force agreed to accept the fuel as delivered.

Other Matters of Interest

Effects From Off-Specification Fuel. Safety centers of the Military Departments reported that between October 1, 1993, and June 30, 1995, six aircraft incidents occurred that were attributed to off-specification fuel. However, none of the incidents resulted in the loss of life or monetary losses greater than \$25,000. Additionally, none of the incidents adversely affected mission capability.

Posts, Camps, and Stations Purchase Program. We did not perform a detailed review of the Military Departments' posts, camps, and stations purchase program, because the Defense Criminal Investigative Service is investigating off-specification fuel purchases. Further, DFSC fuel sales under the program are minimal representing only about 4 percent of DFSC sales. Additionally, diesel fuel and heating oil, representing the majority of the off-specification fuel purchased under the program, is being phased out or is included in the investigation.

We did review 77 reports relating to off-specification fuel purchased under the posts, camps, and stations purchase program, to determine their disposition. Ten required no action, primarily because the product met specification. The remaining 67 reports were consolidated into 51 cases that resulted in either a notification letter or a corrective action letter to the supplier.

Summary

Based on our judgmentally selected deliveries of fuel, DFSC and the Military Departments were satisfactorily accomplishing quality surveillance of DFSC-owned fuel. Specifically, the DFSC fuel quality surveillance program was performing satisfactorily with only two minor weaknesses. Accordingly, this report does not contain any recommendations.

Management Comments

We provided a draft of this report to you on December 13, 1995. Because the report contains no findings or recommendations, comments were not required, and none were received. Therefore, we are publishing this report in final form.

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to Mr. Robert J. Ryan, Audit Program Director, at (703) 604-9418 (DSN 664-9418) or Mr. Garry A. Hopper, Audit Project Manager, at (703) 604-9451 (DSN 664-9451). See Enclosure 3 for the report distribution. The audit team members are listed inside the back cover.



Robert J. Lieberman
Assistant Inspector General
for Auditing

Enclosures

Fuel Deliveries Reviewed at the Defense Fuel Support Points Visited

<u>Defense Fuel Supply Center</u>	<u>Number of Deliveries</u>	<u>Gallons (million)</u>	<u>Dollar Value (million)</u>
Defense Fuel Support Point - Norwalk	23	95.60	\$ 68.40
Defense Fuel Support Point - San Antonio	3	4.80	3.40
Defense Fuel Support Point - San Pedro	23	122.20	87.60
	<hr/>	<hr/>	<hr/>
Subtotal	49	222.60	\$159.40
 <u>Navy</u>			
Defense Fuel Support Point - Point Loma	27	89.30	65.20
Naval Air Station, Miramar	4	4.10	3.00
Naval Air Station, North Island	3	2.20	1.60
	<hr/>	<hr/>	<hr/>
Subtotal	34	95.60	\$ 69.80
 <u>Air Force</u>			
Fuels Management Flight, Eglin AFB*	13	12.20	8.70
Fuels Management Flight, Hurlburt Field	12	5.60	4.00
Fuels Management Flight, Kelly AFB	7	0.05	0.04
Fuels Management Flight, Randolph AFB	17	0.15	0.10
Fuels Management Flight, Tyndall AFB	12	11.80	8.40
	<hr/>	<hr/>	<hr/>
Subtotal	61	29.80	\$ 21.24
	<hr/>	<hr/>	<hr/>
Total	144	348.00	\$250.44

*AFB - Air Force Base

Organizations Visited or Contacted

Office of the Secretary of Defense

Deputy Under Secretary of Defense (Logistics), Washington, DC

Department of the Army

Army Petroleum Center, New Cumberland, PA

Department of the Navy

Office of Navy Inspector General, Washington, DC

Chief of Naval Operations, Arlington, VA

Commander in Chief, U.S. Pacific Fleet, Honolulu, HI

Commander, Naval Air Force, U.S. Pacific Fleet, San Diego, CA

Naval Air Station, Miramar, CA

Naval Air Station, North Island, CA

USS Constellation

USS Kitty Hawk

Commander, Naval Surface Force, U.S. Pacific Fleet, San Diego, CA

USS Essex

USS Reid

Commander in Chief, U.S. Atlantic Fleet, Norfolk, VA

Naval Air Systems Command, Arlington, VA

Naval Air Warfare Center, Lakehurst, NJ

Naval Sea Systems Command, Arlington, VA

Naval Supply Systems Command, Arlington, VA

Office of the Inspector General, Arlington, VA

Navy Petroleum Office, Fort Belvoir, VA

Fleet and Industrial Supply Center, Pearl Harbor, HI

Fleet and Industrial Supply Center, San Diego, CA

Defense Fuel Support Point - Point Loma, CA

Military Sealift Command, Washington, DC

USNS Andrew J. Higgins

Navy Safety Center, Norfolk, VA

Department of the Air Force

Assistant Secretary of the Air Force (Financial Management and Comptroller),
Washington, DC

Deputy Chief of Staff, Logistics, Washington, DC

Chief of Safety, Washington, DC

Organizations Visited or Contacted

Department of the Air Force (cont'd)

Air Education and Training Command, Randolph AFB, TX
Comptroller, Randolph AFB, TX
Comptroller, Tyndall AFB, FL
Fuels Management Flight, Randolph AFB, TX
Fuels Management Flight, Tyndall AFB, FL
Air Force Material Command, Wright-Patterson AFB, OH
Comptroller, Eglin AFB, FL
Comptroller, Kelly AFB, TX
Directorate of Aerospace Fuels Management, Kelly AFB, TX
Detachment 21, Directorate of Aerospace Fuels Laboratory Branch,
MacDill AFB, FL
Fuels Management Flight, Eglin AFB, FL
Fuels Management Flight, Kelly AFB, TX
Wing Plans and Exercises, Eglin AFB, FL
Wing Plans and Exercises, Kelly AFB, TX
Air Force Special Operations Command, Hurlburt Field, FL
Comptroller, Hurlburt Field, FL
Fuels Management Flight, Hurlburt Field, FL

Other Defense Organizations

Defense Logistics Agency, Fort Belvoir, VA
Defense Fuel Supply Center, Fort Belvoir, VA
Directorate of Quality Assurance and Technical Operations, Fort Belvoir, VA
Defense Fuel Region - South, Houston, TX
Defense Fuel Support Point - Houston, TX
Defense Fuel Support Point - San Antonio, TX
Defense Fuel Region - West, San Pedro, CA
Defense Fuel Support Point - Norwalk, CA
Defense Fuel Support Point - San Pedro, CA

Non-Government Organization

Doss Aviation, Inc., Randolph AFB, TX
Tecom Fuel Services, Randolph AFB, TX
Support Terminals Operating Partnership, L.P., Defense Fuel Support Point -
San Antonio, TX

Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense for Acquisition and Technology
Director, Defense Logistics Studies Information Exchange
Under Secretary of Defense (Comptroller)
Deputy Chief Financial Officer
Deputy Comptroller (Program/Budget)
Deputy Under Secretary of Defense (Logistics)
Assistant to the Secretary of Defense (Public Affairs)

Department of the Army

Auditor General, Department of the Army
Commander, Army Aviation and Troop Command
Director, Army Petroleum Center

Department of the Navy

Assistant Secretary of the Navy (Financial Management and Comptroller)
Auditor General, Department of the Navy
Naval Supply Systems Command
Commanding Officer, Navy Petroleum Office

Department of the Air Force

Assistant Secretary of the Air Force (Financial Management and Comptroller)
Deputy Chief of Staff, Logistics
Auditor General, Department of the Air Force
Air Force Material Command
Director, Directorate of Aerospace Fuels Management

Other Defense Organizations

Director, Defense Contract Audit Agency
Director, Defense Logistics Agency
Commander, Defense Fuel Supply Center
Director, National Security Agency
Inspector General, National Security Agency

Report Distribution

Non-Defense Federal Organizations and Individuals

Office of Management and Budget
General Accounting Office
National Security and International Affairs Division
Technical Information Center

Chairman and ranking minority member of each of the following congressional committees and subcommittees:

Senate Committee on Appropriations
Senate Subcommittee on Defense, Committee on Appropriations
Senate Committee on Armed Services
Senate Committee on Governmental Affairs
House Committee on Appropriations
House Subcommittee on National Security, Committee on Appropriations
House Committee on Government Reform and Oversight
House Subcommittee on National Security, International Affairs, and Criminal
Justice, Committee on Government Reform and Oversight
House Committee on National Security

Audit Team Members

This report was produced by the Logistics Support Directorate, Office of the Assistant Inspector General for Auditing, DoD.

Shelton R. Young
Robert J. Ryan
Garry A. Hopper
Denise E. Baldrige
Theodore D. Kotonias
Gerald L. Werking
Frederick R. McComas
Steve G. Schaefer
Linda A. Garner
James B. Mitchell